

**SECRET**

SAPC 15899

Copy 1 of 4

20 May 1957

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 2 to Contract  
No. PO-660 with Eastman Kodak Company, Rochester,  
New York, Project [REDACTED] (AQUATONE).

25X1A

1. The contract contains a provision which reads as follows: "It is hereby agreed that the contract hourly rates as specified in Appendix I and II are based on the average accounting rates used for contract employees directly engaged in the performance of work under this contract and include all applicable overhead, G&A expenses, and profit."

*and III*  
*RM*  
2. It is understood also that the rates as listed in Appendix II<sup>437</sup> which are in error are in some cases too low and in other cases too high. In view of these factors it is the opinion of this Office that the contract is proper for amendment to reflect the correct rates as intended by the parties.

25X1A

[REDACTED]  
Assistant General Counsel

437  
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NO CHANGE IN CLASS. ☒  
☐ DECLASSIFIED  
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NEXT REVIEW DATE: \_\_\_\_\_  
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